conjunction with an appropriate type of vehicle or driver inspection.

(c) Guidelines for the preparation of the SEP are provided in appendix A to this part.

(Approved by the Office of Management and Budget under control number 2125–0536)

§350.15 Certification of compliance by State.

The FHWA will accept a certification, executed by the Governor, the State's Attorney General or other State official specifically designated by the Governor, in the form provided in appendix B to this part, that the State is in compliance with the conditions of §350.9 of this part. The certification shall accompany the SEP and be made part thereof. The certification shall be supplemented by a copy of any State law, regulation or forms pertaining to commercial motor carrier adopted since the State's last certification, if any, which bear on the items listed in the certification. The certificate should acknowledge that activities described in §350.9 will be per-

§350.17 Maintenance of effort.

(a) No SEP shall be approved or grant awarded in the absence of a commitment by the State to maintain the aggregate expenditure of funds by the State for commercial motor vehicle and highway hazardous materials safety programs as provided in this section.

(b) The State shall certify each year that the level of State funding for the 12-month period covered in the SEP for motor carrier and highway hazardous materials safety, size and weight, traffic safety and drug interdiction enforcement purposes shall not fall below the average aggregate expenditure of funds, exclusive of Federal funds and any State matching funds used to receive Federal funding, for those purposes in the base period of three full fiscal years prior to December 18, 1991. The State may elect to use either Federal fiscal years or State fiscal years at its option.

(c) In determining whether a State has complied with this maintenance of effort commitment, expenditures of State funds for federally sponsored demonstration or pilot programs need not be included in aggregating expenditures in the base period.

(d) For the purpose of determining the State's expenditures in the base period, only costs associated with activities performed by State or local agencies currently receiving or projected to receive funds under this part must be counted, and only those activities which meet the most current requirements for funding eligibility under the grant program must be included.

(e) If it is determined that a State has not maintained its level of expenditures as certified, the State shall be notified of the deficiency. Upon receipt of such notification, the State shall have the opportunity to submit information to substantiate the certification.

(f) If, after consideration of all information, it is finally determined that a State has failed to meet its maintenance of effort requirement, an amount equal to the deficiency shall be deducted from the State's current allocation. That amount will then be available for reallocation under §350.21 of this part.

§ 350.19 Grant application submission.

A State shall submit its application to the FHWA division office on or before August 1 of each year. The time for submitting a plan may be extended for a period not to exceed 30 calendar days for good cause shown. Grants are approved for the fiscal year for which application is made. Failure of a State to submit a plan for any given fiscal year will preclude consideration of grant approval for that State for that year.

§ 350.21 Distribution of funds.

(a) The Federal share payable to reimburse States for eligible costs incurred in the administration of a commercial motor carrier safety program shall not exceed 80 percent.

(b) The FHWA will, upon request, waive the requirement for matching funds to be provided by the Virgin Islands, American Samoa, Guam, or the Commonwealth of the Northern Marianas.

(c) The funds available to any State for a basic grant in any one year shall